

VIRGINIA DEPARTMENT OF TAXATION

MAGNETIC MEDIA FILING SPECIFICATIONS WITHHOLDING TAX RETURNS FORMS VA5, VA6, VA15 AND VA16

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GENERAL

These specifications define the format and content of the withholding tax return and voucher records required for magnetic media filing. A separate record must exist for each withholding tax return document.

Each magnetic media tape (3490 cartridge) or CD must have a minimum of fifty return records.

To facilitate problem resolution, submit each form type on a separate tape or CD for processing. A file may include return records for monthly, quarterly, seasonal or semi-weekly filers as needed.

Magnetic media filing may be used for timely or late filed returns, and for current or prior filing periods.

FILING REQUIREMENTS

Magnetic Tape Filing can be used in place of filing VA-5, VA-6, VA-15, and VA-16 paper withholding tax forms. Submissions must maintain a less than 1% error rate. Refer to **Attachment 1** for the **filing record layout**.

Form VA-5 is used by monthly and quarterly filers.

Form VA-15 is used by semi-weekly filers.

Form VA-16 is a quarterly reconciliation required to be filed by all semi-weekly filers.

Form VA-6 is the annual summary of Virginia Withholding that must be submitted by all taxpayers.

Due Dates:

The due dates that apply for paper returns also apply to magnetic tape returns. If a file or payment is received late, then all returns on that tape will be billed for late filing or late payment penalty and interest (as applicable). An exception will be given when a file cannot be read and must be replaced. The Tax Practitioner will be allowed three working days to submit a backup tape. In this instance, returns on the file will be treated based on the date the original file was received by the Department. The postmark date and/or pick-up date on the courier shipping bill of the media package will be used to determine if the returns submitted on the tape were received timely.

For additional information on filing requirements, refer to the *Commonwealth of Virginia Employer Income Tax Withholding Instructions* booklet, at www.tax.state.va.us or call **804-367-8037**.

USPS Address:

Virginia Department of Taxation
Withholding Magnetic Media Filing
PO Box 27264
Richmond, VA 23261-7264
804-367-8058

Delivery Address:

Virginia Department of Taxation
Withholding Magnetic Media Filing
3600 W Broad Street, Suite 160
Richmond, VA 23230
804-367-8058

Printout:

Submission of a printout containing records from the magnetic media filing is optional. If one is provided, include VA account number, taxpayer name, ending period of return, type of return and payment amount to facilitate problem resolution.

Transmittal Letter:

Enclose 2 copies of the transmittal letter that contains: 1) company name; 2) name and phone number for contact; and 3) number of records on the tape.

Label:

Include a label on the tape or CD that includes: 1) Job Identifier, "TAXBT53 WITHHOLDING TAX"; 2) company name; 3) IT contact name and phone number; and 4) Density (1600 BPI or 6250 BPI).

New Clients:

When filing Form VA-16 (quarterly reconciliation for semi-weekly filers) or Form VA-6 (annual summary) for a new client, it is the responsibility of the Tax Practitioner to report the total liability due for the *entire period*. This includes all Virginia income tax withheld and payments made for the period. Only one Form VA-16 per client is allowed for each quarterly period. Only one Form VA-6 per client is allowed each year.



New Businesses can register with the Department and obtain a Virginia account number on-line using **iReg** at **www.tax.state.va.us**.

W2 Data Magnetic Media Filing Requirements:

An employer who furnishes 250 or more W2 forms, must submit W2 data by magnetic media. This data can be filed on 3490 cartridge, CD or 3 1/2" diskette using the SSA MMREF-1 formats. Visit **www.tax.state.va.us** for these specifications.

REMITTANCE PROCEDURES

For returns filed on or after July 1, 2004, all persons who act on behalf of 100 or more taxpayers to remit individual income tax withholding payments must remit all such withholding payments by ACH Credit transactions. **EFT payments eliminate VA5 and VA15 form filings.** For information on EFT, visit **www.tax.state.va.us**.

If filing by magnetic media, a single certified or cashier's check must be submitted for the entire liability amount of each tape or CD. All checks must be made payable to: "Virginia Department of Taxation." The check amount remitted will be reconciled to the total liability amount of the returns reported on the magnetic tapes. **FORM MTF-3 (Attachment 2)** must be submitted with the certified check accompanying the magnetic media. Personalized copies of Form MTF-3 will be mailed to participating Payroll Service Providers.

Underpayments and Overpayments:

If an underpayment exists, the Tax Practitioner will be contacted immediately by phone to verify the correct information has been submitted and to rectify the situation. The Tax Practitioner will be given seven calendar days to submit an additional check for the remainder of the total liability due. If after seven days an additional check has not been submitted, the magnetic tape will be processed resulting in

billing the last records. For example: If the returns on the tape total \$5,000 and the check remitted is for \$4,500, payment will be applied starting with the first taxpayer record on the tape until the amount of the check is expended, and those taxpayers remaining will be billed for the underpayment amounts.

If an overpayment exists, the Tax Practitioner will be contacted immediately by phone to verify the correct information has been submitted and to rectify the situation. If the correct information has been submitted, the magnetic media will be processed and the overpayment placed in a holding account to be refunded to the Tax Practitioner. An overpayment may not be applied to future magnetic media filings.

TESTING AND CERTIFICATION

PAYROLL SERVICE PROVIDERS: Payroll Service Providers must submit test files containing records for each client prior to filing “live data” via magnetic media. Test data and production data must have an error rate less than 1%.

Label the CD or tape clearly as “TAXBT53 WITHHOLDING TAX – TEST” and include the company name, recording density as well as the information systems contact name and phone number.

USPS Address:

Virginia Department of Taxation
Withholding Magnetic Media Filing
PO Box 27264
Richmond, VA 23261-7264
804-367-8058

Delivery Address:

Virginia Department of Taxation
Withholding Magnetic Media Filing
3600 W Broad Street, Suite 160
Richmond, VA 23230
804-367-8058

SOFTWARE DEVELOPERS: The Department will test the sample return filing records output to ensure conformity with specifications; however, each Payroll Service Provider or Tax Practitioner who uses the application must register and test separately with the Department. Developers who request testing need to:

- Comply with the record layout specifications as defined in Attachment 1.
- Include a sample of withholding tax forms VA-5, VA-15 and VA-16 on one tape or CD and VA-6 on another.
- Include a minimum of 200 records representing each form type on each test file.

NOTES:

1. *Magnetic media cannot be returned.*
2. *Approval to participate in the Magnetic Media Filing Program does not imply endorsement by the Department of the software or payroll services provided.*

TAXPAYER AUTHORIZATION

It is the responsibility of the Tax Practitioner to maintain on file a signed **FORM MTF-1**, MAGNETIC MEDIA FILING AUTHORIZATION (**Attachment 4**) or a document showing authority to file on behalf of any client included in a transmitted magnetic tape. This form authorizes the Tax Practitioner as the attorney-in-fact to file for the taxpayer. It further serves to eliminate the need for the taxpayer's signature on the return documents. The liable taxpayer or a responsible officer of the company must sign this form.

ATTACHMENT 1**VIRGINIA WITHHOLDING INCOME TAX RETURN
MAGNETIC MEDIA FILING LAYOUTS**Tape Specifications:

Standard IBM OS labels

EBCDIC Character Recognition

5400 byte block size (fixed block)

Recording Density 1600 or 6250

HEADER RECORD LAYOUT (1st data record):

<u>Position</u>	<u>Field Name</u>	<u>Type</u>	<u>Field Definition</u>
1-9	FEIN Number	PIC 9(9)	*Required 9-digit (numeric) Federal Employer ID Number of Tax Practitioner's company
10-17	Routing/ Transit Number	PIC 9(8)	*Required 8-digit (numeric) First 8 digits of bank routing and transit number of check
18-33	Bank Number	PIC 9(16)	*Required 16-digit (numeric) bank account number of check
34-44	Check Amount	PIC S9(9)V99	*Required 11-digit (signed numeric, assumed decimal point) Total check amount
45-450	Filler	PIC X(406)	Spaces

DATA RECORD LAYOUT:

<u>Position</u>	<u>Field Name</u>	<u>Type</u>	<u>Field Definition</u>
1-9	FEIN Number	PIC 9(9)	*Required 9-digit (numeric) Federal Employer ID Number of taxpayer
10-19	Account Number	PIC 9(10)	*Required 10-digit (numeric) Virginia assigned account number
20-47	Taxpayer's Name	PIC X(28)	*Required 28-digit (alpha) Taxpayer's Legal Name
48-53	Form Code	PIC 9(6)	*Required 6-digit (numeric) code representing type of return: 300510 = VA-5 Return 301550 = VA-15 Return 301660 = VA-16 Return 300660 = VA-6 Return

ATTACHMENT 1

54-61	Filing Period	PIC 9(8)	*Required 8-digit (numeric) YYMMYYMM = beginning filing period followed by ending filing period
62-72	Amount	PIC S9(9)V99	11-digit (signed numeric, assumed decimal point) *Required for VA-15 Amount of Payment *Required for VA-5 VA Income Tax Withheld *Required for VA-16 VA Income Tax Withheld *Required for VA-6 Total VA Tax Withheld on W-2s
73-83	Previous Adjustments	PIC S9(9)V99	**11-digit (signed numeric, assumed decimal point) Applicable to VA-5 and VA-16
84-94	Estimated Payments	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-16
95-105	Penalty Amount	PIC S9(9)V99	**11-digit (signed numeric, assumed decimal point) Applicable to VA-5 and VA-16
106-116	Interest Amount	PIC S9(9)V99	**11-digit (signed numeric, assumed decimal point) Applicable to VA-5 and VA-16
117-127	Next Period Estimated Payment	PIC S9(9)V99	**11-digit (signed numeric, assumed decimal point) Applicable to VA-16
128-138	Total Payments	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6. Total sum of monthly payments.
139-149	Total tax of W-2s	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
150-160	Additional	PIC S9(9)V99	**11-digit (signed numeric, assumed decimal point) Applicable to VA-6
161-166	Number of W-2s	PIC 9(6)	*6-digit (numeric) Required for VA-6
167-177	Jan. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
178-188	Feb. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
189-199	Mar. Income Tax Paid (1st Quarter)	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6

ATTACHMENT 1

200-210	Apr. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
211-221	May Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
222-232	June Income Tax Paid (2nd Quarter)	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
233-243	July Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
244-254	Aug. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
255-265	Sept. Income Tax Paid (3rd Quarter)	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
266-276	Oct. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
277-287	Nov. Income Tax Paid	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
288-298	Dec. Income Tax Paid (4th Quarter)	PIC S9(9)V99	*11-digit (signed numeric, assumed decimal point) Required for VA-6
299-450	Filler	PIC X(152)	Spaces

NOTES:

* Required - data must be present in the field according to form being filed.

** Applicable - if data does not apply to form being filed, then field must be zero filled.

All **PIC S9(9)V99** type fields will be interpreted as follows: 01000000099=\$10,000,000.99. If a signed field can not be provided, it will be assumed the amount in the field is positive.

FORM MTF-3

REMITTANCE VOUCHER FOR MAGNETIC
FILING OF VIRGINIA
TAXES

MAIL THIS FORM, CHECK, MAGNETIC CARTRIDGE AND TRANSMITTAL LETTER TO:

VIRGINIA DEPARTMENT OF TAXATION
P.O. BOX 27264
RICHMOND, VA 23261-7264

FOR ASSISTANCE CALL: 804-367-8058

MONTH SUBMITTED	FEDERAL EMPLOYER ID NUMBER
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AMOUNT OF PAYMENT

EV 01/03 I declare I have examined the return information reported on the accompanying magnetic tape and to the best of my knowledge and belief it contains a true and complete return for each taxpayer included, that a document is on file for each taxpayer authorizing the filing of information, and that such authorization has not been revoked.

SIGNATURE _____

DATE _____ TELEPHONE NO. _____

**FORM
MTF-2**

**VIRGINIA DEPARTMENT OF TAXATION
REQUEST FOR MAGNETIC MEDIA
FILING OF WITHHOLDING TAXES**

NAME OF ORGANIZATION	FEDERAL EMPLOYER ID NUMBER		
ADDRESS	CITY	ST	ZIP
NAME OF INFORMATION SYSTEMS CONTACT	PHONE FAX		
NAME OF TAX ACCOUNT REPRESENTATIVE CONTACT	PHONE FAX		
ESTIMATED # OF RETURNS BY FREQUENCY OF FILING:			
MONTHLY _____ SEMI-WEEKLY _____ QUARTERLY _____ SEASONAL _____			

In order to participate in the magnetic media filing of Virginia withholding taxes, the undersigned agrees to satisfy each of the conditions outlined in the Virginia Department of Taxation's Magnetic Media Filing Specifications, a copy of which I have reviewed. It is understood that the failure to satisfy any of the criteria established in these procedures may result in the termination of my participation in the Magnetic Media Filing Program.

I agree to maintain on file a document showing permission to file on behalf of all taxpayers whose withholding return I transmit on magnetic media.

I further agree to take all necessary measures to ensure that the information obtained from the taxpayer is true and correct to the best of his or her knowledge, and that the information is accurately reported on the magnetic media.

NAME OF COMPANY

TAX PREPARER'S SIGNATURE

TITLE

DATE

RETURN TO:

MAGNETIC MEDIA FILING PROGRAM
VIRGINIA DEPARTMENT OF TAXATION
CENTRAL PROCESSING UNIT
P.O. BOX 27264
RICHMOND, VIRGINIA 23261-7264

MTF-2 (07/04)

**FORM
MTF-1****VIRGINIA DEPARTMENT OF TAXATION
AUTHORIZATION FOR MAGNETIC MEDIA
FILING OF WITHHOLDING TAXES**

TAXPAYER'S NAME	VIRGINIA ACCOUNT NUMBER		
ADDRESS	CITY	ST	ZIP
TRADING-AS NAME	TELEPHONE NUMBER ()		
FILING FREQUENCY			
MONTHLY _____ SEMI-WEEKLY _____ QUARTERLY _____ SEASONAL _____			

I hereby appoint the following company _____,
as attorney-in-fact to represent me before the Virginia Department of Taxation for all employer withholding tax matters.

The attorney-in-fact is authorized, subject to revocation, to receive confidential information and to perform any and all acts that I can perform with respect to withholding tax matters, including the authority to file Virginia withholding tax returns and related information on magnetic tape.

This appointment of attorney-in-fact revokes all previous powers of authorization regarding Virginia withholding taxes.

I further understand that submitting Virginia taxes by magnetic media does not in any way limit my liability; the transmissions of information whether by me or the attorney-in-fact will, by virtue of my signature appearing below, be treated as if I did in fact sign the return or document under penalty of law. I understand that I remain liable for the timely filing of Virginia Department of Taxation withholding tax returns, for notification of any changes or corrections associated with the returns, and for the payment of all tax, penalties, and interest.

Taxpayer's Signature

Title

Date